

ND ASSOCIATION OF COUNTIES FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2007

	December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter	Market Value	Allocation	Policy	Quarter	FYTD	FY07	Ended	Ended
				Net ROR				Net ROR	Net	Net	6/30/2007	6/30/2007
											Net	Net
LARGE CAP DOMESTIC EQUITY												
Structured Growth												
Los Angeles Capital	51,468	4.3%	4.4%	-1.50%	54,441	4.5%	4.4%	0.38%	-1.12%	21.84%	13.35%	N/A
Total Structured Growth	51,468	4.3%	4.4%	-1.50%	54,441	4.5%	4.4%	0.38%	-1.12%	21.84%	13.35%	10.94%
Russell 1000 Growth				-0.77%				4.21%	3.41%	19.04%	8.70%	9.28%
Structured Value												
LSV	50,348	4.2%	4.4%	-5.53%	53,076	4.3%	4.4%	-0.89%	-6.37%	23.77%	19.00%	16.55%
Russell 1000 Value				-5.80%				-0.24%	-6.03%	21.87%	15.93%	13.31%
Russell 1000 Enhanced Index												
LA Capital	102,375	8.5%	8.9%	-1.07%	108,381	8.9%	8.9%	0.24%	-0.83%	21.27%	13.46%	N/A
Russell 1000				-3.23%				1.98%	-1.31%	20.43%	12.34%	
S&P 500 Enhanced Index												
Westridge	114,737	9.5%	8.9%	-3.04%	120,114	9.8%	8.9%	2.18%	-0.93%	21.12%	11.98%	N/A
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	
Index												
State Street	31,144			-6.37%	32,913			-0.80%	-7.11%	21.82%	12.34%	11.08%
Total 130/30	31,144	2.6%	3.0%	-6.37%	32,913	2.7%	3.0%	-0.80%	-7.11%	21.82%	12.34%	11.08%
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	350,071	29.1%	29.7%	-2.89%	368,926	30.2%	29.7%	0.62%	-2.29%	21.86%	13.76%	12.22%
S&P 500				-3.33%				2.03%	-1.37%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY												
Manager-of-Managers												
SEI	70,620	5.9%	6.0%	-6.35%	73,016	6.0%	6.0%	-3.66%	-9.78%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-4.09%				-2.60%	-6.59%	18.76%	15.72%	16.16%
Enhanced												
Research Affiliates	66,930	5.6%	6.0%	-7.00%	69,617	5.7%	6.0%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-4.58%				-3.09%	-7.53%			
TOTAL SMALL CAP DOMESTIC EQUITY	137,549	11.4%	12.1%	-6.67%	142,633	11.7%	12.1%	-4.98%	-11.32%	18.39%	13.70%	14.37%
Russell 2000				-4.58%				-3.09%	-7.53%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY												
Large Cap - Active												
Capital Guardian	63,561	5.3%	5.3%	-1.23%	64,604	5.3%	5.3%	0.61%	-0.63%	25.99%	21.19%	14.89%
LSV	61,113	5.1%	5.3%	-6.39%	65,582	5.4%	5.3%	-3.37%	-9.54%	31.24%	N/A	N/A
Total Large Cap - Active	124,674	10.4%	10.6%	-3.80%	130,185	10.7%	10.6%	-1.43%	-5.18%	28.57%	22.95%	18.43%
MSCI EAFE - 50% Hedged				-2.19%				0.11%	-2.08%	26.94%	22.55%	15.71%
Small Cap - Value												
DFA	15,113	1.3%	1.3%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%	0.0%	N/A	15,932	1.3%	1.3%	-3.92%	N/A	21.03%	20.93%	N/A
Total Small Cap Value	15,113	1.3%	1.3%		15,932	1.3%	1.3%	-3.92%	-4.54%	21.03%	20.93%	N/A
Citigroup Broad Market Index < \$2BN				-5.94%				-0.66%	-6.55%	28.58%	26.34%	
Small Cap - Growth												
Vanguard	15,470	1.3%	1.3%	-4.84%	15,591	1.3%	1.3%	-1.48%	-6.25%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN				-5.94%				-0.66%	-6.55%	28.58%	26.34%	
TOTAL INTERNATIONAL EQUITY	155,257	12.9%	13.3%	-3.97%	161,709	13.2%	13.3%	-1.70%	-5.60%	28.02%	23.43%	17.15%
MSCI EAFE - 50% Hedged				-2.19%				0.11%	-2.08%	26.94%	22.55%	15.71%
DOMESTIC FIXED INCOME												
Core Bond												
Western Asset	149,800	12.4%	12.4%	1.63%	146,990	12.0%	12.4%	1.87%	3.53%	7.29%	4.44%	5.64%
Lehman Aggregate				3.00%				2.84%	5.93%	6.12%	3.98%	4.48%
Mortgage Backed												
Hyperion	40,070	3.3%	3.2%	-1.00%	40,007	3.3%	3.2%	-1.78%	-2.76%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				3.15%				3.88%	7.15%			
Core Plus/Enhanced												
Clifton Group	43,669	3.6%	3.2%	3.99%	41,501	3.4%	3.2%	4.41%	8.58%	5.52%	N/A	N/A
Prudential	41,870	3.5%	3.2%	2.45%	40,399	3.3%	3.2%	1.95%	4.45%	N/A	N/A	N/A
Total Core Plus/Enhanced	85,540	7.1%	6.4%	3.23%	81,900	6.7%	6.4%	3.18%	6.52%	5.95%	N/A	N/A
Lehman Aggregate				3.00%				2.84%	5.93%	6.12%		
Index												
Bank of ND	74,937	6.2%	5.6%	3.04%	73,170	6.0%	5.6%	3.09%	6.23%	5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				3.10%				3.01%	6.20%	6.00%	3.04%	4.35%
BBB Average Quality												
Wells Capital (formerly Strong)	148,508	12.3%	12.4%	1.98%	145,040	11.9%	12.4%	1.48%	3.49%	7.93%	4.86%	6.59%
Lehman US Credit BAA				1.90%				1.67%	3.60%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	498,855	41.4%	40.0%	2.00%	487,107	39.9%	40.0%	1.84%	3.88%	7.11%	3.89%	5.04%
Lehman Aggregate (2)				3.00%				2.84%	5.93%	6.12%	4.13%	4.87%
CASH EQUIVALENTS												
Bank of ND	62,178	5.2%	5.0%	0.96%	61,434	5.0%	5.0%	1.24%	2.21%	5.36%	4.10%	3.00%
90 Day T-Bill				1.05%				1.34%	2.40%	5.21%	3.78%	2.76%
TOTAL NDACo FUND	1,203,910	100.0%	100.0%	-1.32%	1,221,809	100.0%	100.0%	0.10%	-1.22%	15.46%	9.60%	9.58%
POLICY TARGET BENCHMARK				-0.56%				1.48%	0.91%	14.21%	9.01%	8.82%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.